

# ***Storage Facilities and Expansions***

***Norman Pedersen***  
***Southern California Generation Coalition***

- Southern California storage service:
  - SoCalGas capacity inventory (pre-reclassification):
    - 1,056 Bcf inventory
    - 803 MMcf/d injection
    - 3,125 MMcf/d withdrawal.
  - Expansion of SoCalGas facilities:
    - Aliso Canyon/La Goleta reclassification (11-14 Bcf).
- Alternatives to SoCalGas storage:
  - Few developable southern California fields.
  - Upstream storage: ineffective.
  - Potential LNG storage service.

- SoCalGas bundled storage services:
  - Monthly balancing service:  $\pm 10\%$ 
    - 5.3 Bcf inventory
    - 355 MMcf/d injection
      - (329 MMcf/d allocated to noncore)
    - 250 MMcf/d withdrawal.
  - Core (D.00-06-040):
    - Inventory: 70 Bcf
    - Injection: 327 MMcf/d
    - Withdrawal: 1,935 MMcf/d.

- Negotiated contracts (G-TBS):

- For example: LADWP:

- Inventory: 2 MMdth

- Injection: 10 Mdth/d

- Withdrawal: 50 Mdth/d.

- EG uses for negotiated storage:
  - Daily balancing:
    - SoCalGas OFOs (21 in 2003).
    - Winter balancing.
  - Price hedge.
  - Reliability.
- Demand for storage:
  - High.
  - SoCalGas pricing flexibility.

- Potential increase in demand:
  - Comprehensive Settlement class-by-class balancing.
  - Contrast: PG&E Gas Accord.

- TURN: “Storage Gas Reserve”:
  - Removes capacity from market.
  - Reduces flexibility of EGs to use for multiple purposes (e.g., balancing).
  - Increases cost of generation.